

Senate Bill No. 1117

Passed the Senate August 29, 2012

Secretary of the Senate

Passed the Assembly August 23, 2012

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2012, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 14036 and 14522 of the Government Code, and to add Section 185033.1 to the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1117, DeSaulnier. Passenger rail: planning.

Existing law creates the California Transportation Commission, with various powers and duties relating to the programming and allocation of certain funds available for transportation capital improvement projects and various other transportation policy matters, and authorizes the commission to develop guidelines for preparation of regional transportation plans. Existing law creates the Department of Transportation with various powers and duties relating to the state highway system and other transportation modes, including the authority to contract for conventional rail passenger service. Existing law requires the department to prepare a 10-year State Rail Plan on a biennial basis, with both passenger and freight rail elements. Existing law creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties, including preparation of a business plan on a biennial basis. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes.

This bill would require the California Transportation Commission to include in its guidelines for regional transportation plans policy direction regarding the integration of all passenger rail services into a coordinated system with emphasis on intermodal facilities and cost-effective rail services, as specified. The bill would revise the requirements for the 10-year state rail plan prepared by the department to require the plan to be consistent with the federal Passenger Rail Investment and Improvement Act of 2008 and to contain various passenger and freight rail elements, including, among other things, plans for a comprehensive and integrated statewide rail system, a statement of the state's passenger rail service objectives, and identification of improvements that have

utility both for freight and passenger rail services. The bill would delete the requirement that the state rail plan be prepared on a biennial basis. The bill would require the department to submit a draft plan under these new requirements for review and comment to the commission and authority by December 1, 2015, and would require public hearings on the plan. The bill would require the final plan to be approved by the Secretary of Business, Transportation and Housing by March 1, 2016, and then to be submitted to the Legislature, Governor, and various state agencies. The bill would require the plan to be updated at least every 5 years.

This bill would also impose certain requirements on the High-Speed Rail Authority with regard to implementation of blended systems by the authority, including preparation of a plan in that regard, by December 31, 2013, which would be incorporated into the authority's business plan and would be required to be consistent with any written agreements with 3rd parties operating or hosting connecting passenger rail services, as specified.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) Passage of the federal Passenger Rail Investment and Improvement Act of 2008 (PRIIA) requires comprehensive rail plans in order for states to be eligible for new federal rail capital grants. To comply with federal law, the state rail plan must include, at a minimum, all of the following:

(1) An inventory of the existing transportation system and rail services and facilities within the state, and an analysis of the role of rail transportation within the state's surface transportation system.

(2) A review of all rail lines within the state, including proposed high-speed rail corridors.

(3) A statement of the state's passenger rail objectives.

(4) A general analysis of the transportation, economic, and environmental impacts of rail in the state, including congestion mitigation, trade and economic development, air quality, land use, energy use, and community impacts.

(5) A long-range investment program for current and future freight and passenger rail infrastructure in the state.

(b) The Department of Transportation, pursuant to Section 14036 of the Government Code, is responsible for the preparation of a 10-year state rail plan, to be updated biennially. Furthermore, the department has been designated by the Federal Railroad Administration as the responsible agency for development of the federally required state rail plan.

(c) In addition to the PRIIA requirements, California should build upon its existing rail planning activities, as follows:

(1) To foster more complete integration of passenger rail throughout the transportation system, including high-speed, intercity, commuter, and connections to urban passenger rail systems.

(2) To support the state's goal of an integrated, multimodal transportation system and to establish a framework for the delivery of cost-effective rail services in California that promote climate stabilization, job access, environmental enhancements, and improved mobility.

(3) To address issues relating to the shared use of rail lines by freight and passenger services and compliance with the grant provisions of Section 24405(c) of Title 49 of the United States Code.

(4) To provide detailed insight into the concerns facing the state's transportation system and to set forth a vision of how rail transportation can address those issues.

SEC. 2. Section 14036 of the Government Code is amended to read:

14036. (a) The department shall prepare a 10-year State Rail Plan. The plan shall consist of a passenger rail element and a freight rail element. Pursuant to Section 22702 of Title 49 of the United States Code, the department is designated as the state rail transportation authority to prepare, maintain, coordinate, and administer the plan.

(b) The passenger rail element shall:

(1) Comply with the requirements set forth in the federal Passenger Rail Investment and Improvement Act of 2008 (PRIIA; Public Law 110-432).

(2) Include plans for a comprehensive and integrated statewide passenger rail system, including high-speed rail, conventional intercity and commuter rail, and connections to urban rail systems.

(3) Review all high-speed rail routes, the rail freight system, conventional intercity and commuter rail systems, and urban rail system connections to high-speed rail and conventional intercity and commuter rail systems, including a statement of the state's passenger rail objectives for routes in the state.

(4) In consultation with the freight railroad industry, identify improvements that have utility to both rail freight and passenger rail services in the state.

(5) Include an inventory of the existing rail transportation system and rail services and facilities in the state, and an analysis of the role of rail transportation within the state's overall transportation system.

(6) The freight rail element of the plan and any recommendations related to the freight rail system shall include a recognition that implementation of the recommended passenger rail services shall be contingent upon a negotiated agreement between a freight rail operator and the passenger service sponsor or operator.

(c) The freight rail element shall contain all of the following:

(1) Environmental aspects, which shall include air quality, land use, and community impacts.

(2) Financing issues, which shall include a means to obtain federal and state funding.

(3) Rail issues, which shall include regional, intrastate, and interstate issues. In this regard, the used and unused capacity of freight railroads shall be considered an asset to the economic well-being of the state as it supports the state's role as the nation's gateway for international trade, provides an environmentally preferred alternative for the movement of goods, and supports the employment opportunities in logistics industry.

(4) Intermodal connections, which shall include seaports and intermodal terminals.

(5) Current system deficiencies.

(6) Service objectives, such as improving efficiency, accessibility, and safety.

(7) New technology, which shall include logistics and process improvement.

(8) Light density rail line analyses, which shall include traffic density, track characteristics, project selection criteria, and benefit-cost criteria.

(d) (1) The department shall submit, for review and comment, a draft plan developed pursuant to this section to the High-Speed Rail Authority and the commission on or before December 1, 2015.

(2) Prior to final adoption of the plan, the department shall hold at least two public workshops on the draft plan, with at least one workshop in northern California and one in southern California.

(3) On or before March 1, 2016, the final plan shall be submitted to the Business, Transportation and Housing Agency for approval pursuant to Section 22702 of Title 49 of the United States Code.

(4) The approved plan shall thereafter be submitted to the Legislature, the Governor, the Public Utilities Commission, the High-Speed Rail Authority, and the commission.

(e) The plan shall be updated, at a minimum, every five years thereafter. The process for review and approval shall be essentially the same as provided for the initial plan pursuant to subdivision (d).

SEC. 3. Section 14522 of the Government Code is amended to read:

14522. In cooperation with the regional transportation planning agencies, the commission may prescribe study areas for analysis and evaluation by such agencies and guidelines for the preparation of the regional transportation plans.

The commission shall include in these guidelines policy direction regarding the integration of all passenger rail services, including high-speed, intercity, commuter, and urban passenger rail services, into a coordinated system with an emphasis on intermodal facilities connecting the various passenger rail systems with each other as well as with the overall transportation system, and provision of cost-effective passenger rail services that contribute to climate stabilization, job access, environmental enhancements, and improved mobility.

SEC. 4. Section 185033.1 is added to the Public Utilities Code, to read:

185033.1. (a) Consistent with Proposition 1A (2008) and the policy objectives set forth in the State Rail Plan adopted pursuant to Section 14036 of the Government Code, the authority shall plan for implementation of blended systems, consistent with its business plan prepared pursuant to Section 185033 and consistent with any written agreements with third parties operating or hosting rail passenger services in the conventional intercity and commuter rail

corridors and in the Phase I corridors, upon which the blended systems will operate, or to which the blended systems will connect. The authority's plan pursuant to this section shall include, at a minimum, both of the following:

(1) Identification of investments in passenger rail projects in the Phase I high-speed rail corridor (San Francisco Transbay Terminal-Los Angeles Union Station-Anaheim) that benefit conventional intercity and commuter rail services that are compatible with being upgraded to high-speed rail service in the future.

(2) Investments in operable segments in the Phase I high-speed rail corridor that generate sufficient passenger revenue to be attractive to private investors.

(b) In developing the blended program, the authority shall do both of the following:

(1) Consult with the department, regional transportation planning agencies, agencies administering or operating commuter rail, freight railroads operating in the conventional intercity and commuter rail corridors and in the Phase I corridors, and firms that have experience in commercial high-speed intercity rail operations.

(2) Ensure the blended program is consistent with any written agreements with third parties operating or hosting passenger rail services in the conventional intercity and commuter rail corridors and in the Phase I corridors, upon which the blended systems will operate, or to which the blended systems will connect.

(c) The authority shall submit a draft of its blended program to the California Transportation Commission, the department, and the Legislature on or before December 31, 2013. The program shall subsequently be incorporated into the authority's business plan prepared pursuant to Section 185033.

Approved _____, 2012

Governor